STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

I.	General Informati	ion

- 1. Report Time Period: From (mo./yr.) 01/06 To (mo./yr.) 12/06
- 2. DOGM File Number (Mine No): M/037/001.
- 3. Mine Name: Lisbon Mine.
- 4. Mineral(s) Mined (or permitted to mine): Uranium.
- 5. Type of mine:

Surface Mine or

X Underground Mine

6. Legal Description (Location of Lands Affected):

- 1/4, 1/4, Section 21, Township 29S, Range 24E. __1/4, ____1/4, ____1/4, Section _____, Township _____, Range_
- 1/4, _____ 1/4, Section _____, Township ____ Range
- 7. Name of Operator or Company: Rio Algom Mining LLC.
- 8. Permanent Street Address: 355 S Lisbon Road .

City, State, Zip: Moab UT 84532.

Phone: 505-287-8851 Fax: 505-285-5550 E-mail: peter.luthiger@bhpbilliton

9. Company Representative (or designated operator):

Name: Peter Luthiger.

Title: Manager, Radiation Safety and Environmental Affairs.

Business Address: P.O. Box 218. City, State, Zip: Grants, NM 87020

Ph: 505-287-8851 Fax: 505-285-5550 E-mail: peter.luthiger@bhpbilliton.com.

Please check if any of the above information has changed since previous year.

Primary changes involved closing the Lisbon office and transferring all responsibility to the New Mexico office indicated above. Primary contact will be as described above.

II. Mining and Reclamation

- 1. Was there any mine related activity during the past year? Yes No X
- 2. If no what was the last year of activity? 1988.

3. Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. 0.

- 4. Briefly describe the type of work performed, during the past year. All work activities were associated with site reclamation. Primary work done at this site during CY 2006 was completed on lands adjoining the area under Oil, Gas, and Mining. This work was done under a plan approved by the USNRC and overseen by Utah DRC The work included the reclamation of existing evaporation cells and placement of long term erosion protection.
- 5. How much **new or additional acreage** was disturbed during the past year? <u>0</u> acres.
- 6. How much acreage was reclaimed during the past year? NA
- 7. Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MRSITE or an application for full or partial bond/site release). The administrative office building associated with permit M/037/001 was demolished and debris was disposed on site.
- 8. What is the total disturbed acreage of entire project at years end? 0 acres.
- Briefly summarize any mining and/or reclamation plans for the upcoming year.
 Remaining activities at the site associated with permit M/037/001 limited to monitoring revegetation success. Permittee has submitted form MRSITE requesting bond release.
- The operator shall keep and maintain timely records relating to his performance under the Act, and shall make these records available to the Division upon request.

NOTE: Section III., "Additional Information" applies only to large mining operations.

III. Additional Information - R647-4-121.2

 Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.
 There have been no significant changes to the site surface map during this reporting period.

IV. Signature Requirement

I hereby certify that the foregoing is true and correct.

Name (Typed or Print): Peter Luthiger.

Title of Operator: Manager, Radiation Safety and Environmental Affairs.

Signature of Operator:

Date: January 16, 2007.

Jb

Rio Algom Mining LLC

January 17, 2007

Ms. Susan White Department of Natural Resources Division of Oil, Gas and Mining 1594 West North Temple, Suite 1210 Salt Lake City, Utah 84114-5801

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DIV. OF OIL, GAS & MINING

Re:

Mine Permit M/037/001

Annual Report (form MR-AR) for 2006

Dear Ms. White,

Please find attached the 2006 Annual Report for Rio Algom Mining LLCs Lisbon Mine. This report is required by Rules R647-003-116 and R647-004-121 of the Divisions Amended and New Rules, Minerals Reclamation Program.

Rio Algom has completed all major reclamation activities at the site and anticipates completing all ancillary activities by February 2007. Because of this, Rio Algom submitted a request for bond release in October 2006 and requests the Division to terminate or reduce the bond to an appropriate level to cover costs associated with revegetation monitoring.

If you have any questions or need additional information, please call me at 287-8851, extension 15.

Regards

Peter Luthige

Manager, Radiation Safety

and Environmental Affairs

Attachment: As stated

XC:

T. Fletcher

File